

Defense Torpedoes Foreign Aid Request

Hill's GOP Leadership Rankled By White House Intransigence

By Joanne O'neal
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A Reagan administration effort to bring more foreign aid funding out of Congress apparently was derailed yesterday by Republican legislators' annoyance over continued White House refusal to trim defense spending.

Republican leaders, emerging from a morning White House strategy session on the fiscal 1987 budget, said they were prepared to hear a plea from President Reagan and Secretary of State George P. Shultz for another \$550 million for beefed-up security at U.S. facilities worldwide and more aid to the Philippines. Shultz already was armed with a Democratic commitment if a bipartisan agreement could be worked out.

Instead, according to several of those present, the meeting bogged down on the administration's insistence on having \$4 billion more in defense funds than the Senate has allocated.

Sen. Pete V. Domenici (R-N.M.), chairman of the Senate Budget Committee, "got to talking about having to face reality on defense . . . it got to be a squabble [with Defense Secretary Caspar W. Weinberger] and nothing was resolved," said Rep. William S. Broomfield (R-Mich.), ranking minority member of the House Foreign Affairs Committee. Shultz did not bring up the foreign aid issue.

"We need the leadership of the White House if this [foreign aid increase] is going to be approved, but it was not discussed at what is a crucial time," Broomfield said. "Shultz missed a golden opportunity, in spite of all his talk," one key House staff member said, referring to Shultz's weekend promise to "drop everything" to rescue his \$22.6 billion foreign aid and State Department package. Shultz argued to reporters Sunday that U.S. foreign policy commitments will be drastically undermined if Congress sticks by its preliminary funding decisions.

As a result of yesterday's impasse, the House is expected to pass a budget today that will provide \$5.6 billion less than the administration request, which could mean a cut of 40 percent to 60 percent in security assistance for nations other than Israel and Egypt, the aid said. The Senate budget resolution passed last week would allocate \$17.8 billion, still \$4.8 billion short of the administration target.

Other officials said Shultz also could not find time for a proposed meeting on the situation with Rep. Dante B. Fascell (D-Fla.), chairman of the House Foreign Affairs Committee. House Minority Leader Robert H. Michel (R-Ind.) and Majority Leader James C. Wright Jr. (D-Tex.), Fascell, who warned last February that looming fund cuts could decimate the administration's policies, yesterday offered Democratic support for a rule that would allow the administration to propose a foreign aid increase in today's debate. But the Rules Committee did not hear from the administration.

Shultz did raise the issue with Domenici later in the day in Domenici's office. "You can't cut everything, raise that and still have no revenues added to the pot." But he did promise to defend the Senate-passed foreign aid outlay figures—\$100 million higher than the House allocation—when the measure comes to a House-Senate conference.

Shultz repeated his call for further help to the Philippines yesterday, noting that President Corason Aquino "inherited a real mess" from ousted president Ferdinand Marcos. "There are real problems and they do need help," he said on NBC's "Today" show.

Shultz said the administration would help in an international effort to raise \$2 billion for Aquino's government, "and we'd like to get them more money from here, but the congressional picture . . . just doesn't seem to allow that."

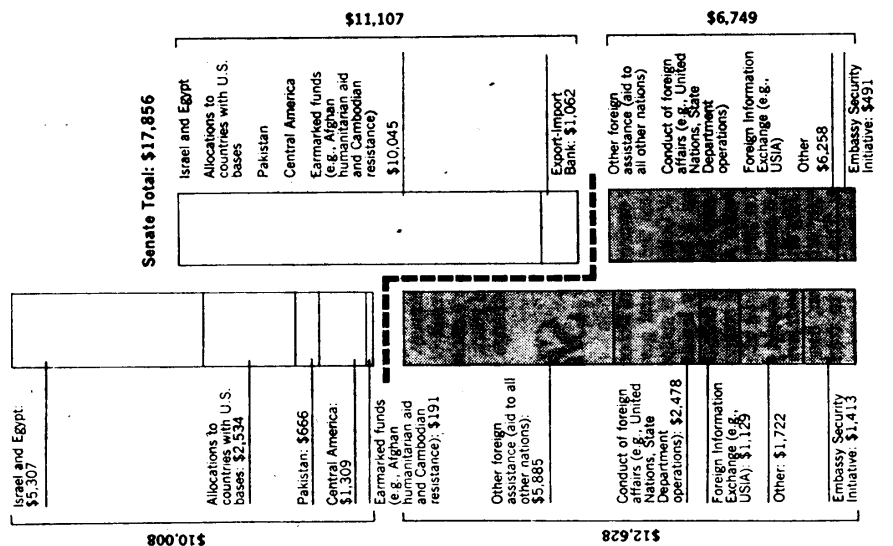
Neither the Senate resolution nor the House Budget Committee spelled out funding levels for various countries or most State Department programs. But it is all but guaranteed that \$5.3 billion will go to Israel and Egypt.

It is likely—but by no means certain—that another \$2.5 billion will be assigned to other areas where there

THE CRUX OF THE DISPUTE

This chart, based on information from the State Department, compares the administration's FY 1987 request for foreign aid and the State Department to the budget package outlined by the Senate. The figures are in millions of dollars and are rounded.

Administration Total: \$22,636



would provide about \$6.7 billion and the House committee about \$6 billion for everything else, programs that the administration says require \$12.6 billion. These include aid to all other nations, international banks, the Peace Corps, narcotics control, the United Nations and all State Department functions, including a proposed \$1.1 billion start on the embassy security program that everyone has agreed is a top priority.

FOREIGN AID: WHERE THE DOLLARS GO

IN THOUSANDS OF DOLLARS

This chart, based on information from the Agency for International Development, shows actual U.S. economic and military assistance awarded to foreign countries in fiscal year 1985, the last year for which such expenditures are available. The countries are listed by the appropriate AID Regional Bureau. Numbers are in thousands of dollars.

The totals include funds awarded under the following programs: Development Assistance, Economic Support Fund, Food for Peace, Peace Corps, Narcotics Control, Foreign Military Sales, Military Assistance Program and the International Military Education and Training Program.

—James Schwartz

COUNTRY	TOTAL	COUNTRY	TOTAL
African Bureau	\$253,220	Asia/Near East	\$3,350,000
Burkina Faso	10,855	Israel	2,170,400
Burundi	8,115	Egypt	879,490
Cameroon	26,979	Guinea	638,013
Chad	20,717	Kenya	501,366
Madagascar	19,680	Philippines	269,676
Mali	17,041	South Korea	231,943
Mauritania	16,204	Thailand	198,874
Mozambique	30,000	Tanzania	191,877
Niger	32,793	Togo	176,049
Nigeria	32,096	Tunisia	150,096
Rwanda	27,406	Uganda	147,020
Senegal	26,979	Yemen	140,310
Sierra Leone	21,227	Zambia	96,577
Swaziland	20,717	Latin America/Caribbean	\$561,076
Additional Regional Funds	253,410	El Salvador	282,571
Total	\$2,122,566	Honduras	216,049
		Costa Rica	178,699
		Dominican Republic	164,624
		Jamaica	98,124
		Guatemala	79,411
		Panama	70,035
		Peru	58,604
		Ecuador	55,021
		Haiti	44,135
		Bolivia	24,476
		Belize	11,191
		Colombia	9,856
		Greenland	2,078
		Mexico	
		Paraguay	
		Additional Regional Funds	49,334
		Total	\$10,390,848